

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION

IN THE MATTER OF determining
Whether there has been a violation of the
Securities Act of Washington by:

David T. Ramsden,

Respondent.

SDO – 99 – 44

CONSENT ORDER

Case No. 97-10-499

THE STATE OF WASHINGTON TO: DAVID T. RAMSDEN
C/O INTEGRATED FINANCIAL PLANNING SERVICES
622 FRONT STREET
PORT ANGELES, WA 98362

STATEMENT OF CHARGES

The Securities Division, Department of Financial Institutions, State of Washington, and respondent David T. Ramsden (“Ramsden”) do hereby agree to this Consent Order in settlement of the matters alleged herein. Respondent Ramsden neither admits nor denies the Findings of Fact and Conclusions of Law as set forth below.

FINDINGS OF FACT

RESPONDENT

1. David T. Ramsden (“Ramsden”) is registered with the State of Washington as a securities salesperson for Integrated Financial Planning Services (“IFPS”). IFPS is a broker/dealer of securities and has its principal place of business at Karlstrasse 20 Heidelberg 69117, Germany.

2. Ramsden was registered with the State of Washington as a securities salesperson for United Pacific Securities, Inc. (“UPS”) from April 1992 through December 1996. UPS is a broker/dealer of securities and has its principal place of business at 5950 LA Place Ct., #160, Carlsbad, CA 92008-0000.

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Olympia, WA 98507-9033
360-902-8760

1 3. Ramsden was registered with the State of Washington as a securities salesperson for Titan/Value Equities
2 Group, Inc. ("Titan") from June 1987 through March 1992. Titan is a broker/dealer of securities and has its principal
3 place of business at 8001 Irvine Center Dr., Suite 710, Irvine, CA 92618.

4 NATURE OF RAMSDENT'S CONDUCT

5 4. Beginning on or about March of 1989 Ramsden began advising a retired 74 year old, Washington resident
6 (the "Investor") regarding investments. The Investor was on a fixed income, consisting of approximately \$15,000 per
7 year provided by social security. The Investor had a net worth of less than \$200,000. His experience with securities
8 consisted mainly of purchases of mutual funds. Despite this background, Ramsden advised the Investor to enter into a
9 series of high-risk ventures, totaling approximately \$134,050, and included limited partnerships and personal loans to
10 Ramsden.

11 Ramsden Made Unsuitable Recommendations to Clients

12 5. On or about March 9, 1989, when the Investor was approximately 75 years old, Ramsden sold the Investor
13 \$10,000 worth of Phoenix Leasing Cash Distribution Fund III, ("Phoenix") a limited partnership engaging in equipment
14 leasing and financing. This investment was speculative in nature. Interests in Phoenix are not traded on any exchange
15 and there is no public or organized trading market for them

16 6. On or about March 20, 1989, Ramsden sold the Investor \$10,000 worth of interests in Southwest Oil & Gas
17 IF VIII-A ("Southwest VIII-A") a limited partnership engaging in oil and gas production and sales. This investment was
18 speculative in nature. Interests in Southwest VIII-A are not traded on any exchange and there is no public or organized
19 trading market for them. Ramsden signed the section of the application stating that he "reasonably believes that this
20 investment is suitable for the subscriber(s) whose name(s) appear above and represents that he has informed such
21 subscriber(s) as to the liquidity and marketability of an investment in the Partnership."

22 7. On or about July 1990, when the Investor was approximately 76 years old, Ramsden sold the Investor
23 \$10,000 worth of Windsor Park Properties ("Windsor Park") a limited partnership engaging in real estate investments.
24 Interests in Windsor are not traded on any exchange and there is no public or organized trading market for them.

1 8. On or about April 1991, when the Investor was approximately 77 years old, Ramsden sold the Investor
2 \$5,000 worth of Southwest Oil & Gas IF X-B, LP ("Southwest X-B"), another limited partnership engaging in oil and
3 gas production and sales. This investment was speculative in nature.

4 9. On or about December 1993, when the Investor was approximately 79 years old, Ramsden sold the Investor
5 \$12,150 worth of Texas Keystone 1993-317 Drilling Program ("Texas Keystone") a limited partnership engaging in oil
6 and gas production and sales. Texas Keystone offered this investment as a private placement. The interests in Texas
7 Keystone are not traded on any exchange and there is no public or organized market for them.

8 Ramsden Borrowed Money from his Client

9 10. Beginning on or about May 11, 1990, Ramsden took a \$40,000 loan, with a one-year term, from the
10 Investor. This loan was evidenced by a Promissory Note dated May 1, 1990 and a Deed of Trust. This deed of trust was
11 later amended to add an additional \$2,000 to the loan. The note was marked as repaid on or about February 15, 1991.

12 11. On or about May 11, 1991, Ramsden took a second loan, this time for \$72,000, and a four-year term. The
13 loan was evidenced by promissory note and secured by a deed of trust, recorded on February 20, 1991.

14 12. Four years later, on or about July 1, 1995, when the second loan was due, Ramsden took a third loan from
15 the Resident, in the amount of \$86,900 having a five year term and evidenced by a promissory note and deed of trust,
16 recorded July 1, 1995.

17 13. After the Investor's death in 1996, the Executor for the Investor's Estate contacted Ramsden regarding
18 repayment of the \$78,123.65 still unpaid on these loans and regarding the investments Ramsden sold, as described in
19 paragraphs four through eight. Ramsden agreed to pay the Investor's Estate according to the terms of the note.

20 Based upon the above Findings of Fact, the following Conclusions of Law are made:

21 **CONCLUSIONS OF LAW**

22 14. Ramsden, as described above, engaged in one or more dishonest or unethical practices in the securities
23 business as defined by WAC 460-22B-090(7) by failing to have reasonable grounds for believing that recommendations
24 for the purchase, sale or exchange of a security were suitable in light of the customer's investment objectives, financial

1 situation and needs in violation of RCW 21.20.702. Such practice is grounds for suspension and/or revocation of
2 Ramsden's securities salesperson registration pursuant to RCW 21.20.110(g).

3 15. Ramsden, as described above, engaged in one or more dishonest or unethical practices in the securities
4 business as defined by WAC 460-22B-090(1), by engaging in the practice of borrowing money from a customer. Such
5 practice is grounds for suspension and/or revocation of Ramsden's securities salesperson registration pursuant to RCW
6 21.20.110(g).

7 **ORDER AND CONSENT**

8 Based on the foregoing,

9 1. It is Agreed and Ordered that David T. Ramsden shall permanently cease and desist from committing or
10 causing the commission of any violation and any future violation of RCW 21.20.702, WAC 460-22B-090(7) and WAC
11 460-22B-090(1) promulgated thereunder.

12 2. It is Agreed and Ordered that David T. Ramsden shall continue fulfilling his repayment obligations to the
13 Investor's estate, pursuant to the terms of the loan agreement, reporting his progress on the repayment to the Division
14 within 15 days of the end of each quarter, beginning September 30, 1999 and continuing, within 15 days of the end of
15 each quarter thereafter, until full payment has been made.

16 3. It is Agreed and Ordered that this Order shall not become effective the Securities Division approves a written
17 plan of supervision presented by David T. Ramsden.

18 4. It is Agreed and Ordered that this Consent Order represents the complete and final resolution of, and
19 discharge with respect to, all claims, demands, actions and causes of action by the Division against Ramsden for
20 violations arising as a result of or in connection with the transactions in paragraphs 5 through 13, of the Findings of Fact,
21 as stated above.

22 5. It is Agreed that respondent Ramsden waives his right to a hearing in this matter.

23 6. It is Agreed that the Securities Division has jurisdiction to enter this Consent Order.

24 Entry of this Consent Order in no way limits or prevents further remedies, sanctions or actions which may be
25 available to the Securities Administrator under Washington law to enforce this order, for violations of this Order, for

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1 conduct or actions of Ramsden which are not covered by this Consent Order, or against any party not covered by this
2 Consent Order.

3 DATED this _____ day of _____, 1999.

4
5 _____
6 DEBORAH R. BORTNER
7 Securities Administrator

8 Presented by:

9 _____
10 Kristina L. Kneip
11 Securities Examiner

12 Approved by:

13 _____
14 Michael E. Stevenson
15 Chief of Compliance